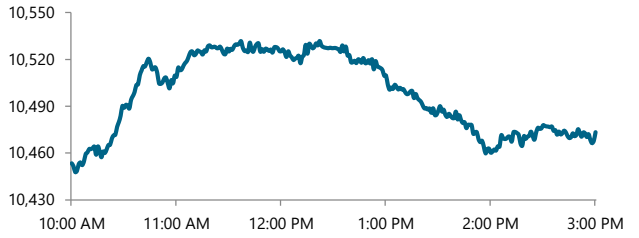
Daily Markets Overview

8 March 2023

TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	10,473	0.2	1.9	0.0	16.7
Saudi (NOMUC)	18,868	-0.2	-1.3	-2.8	NA
Energy	5,476	1.2	1.8	0.9	6.6
Materials	6,415	0.1	1.9	2.0	13.5
Capital Goods	5,790	-0.6	-1.2	10.8	14.3
Com. & Prof. Svc	3,800	-0.2	2.8	10.6	33.7
Transportation	5,160	0.3	2.6	13.6	NA
Cons. Durables & Apparel	4,300	-0.8	0.1	1.8	NA
Consumer Services	4,482	0.4	4.8	21.4	NA
Media	23,129	0.5	1.9	7.6	25.4
Retailing	7,321	-0.3	-1.5	2.1	26.4
Food & Staples Retailing	9,276	1.4	3.1	8.6	6.4
Food & Beverages	4,808	-0.3	1.7	3.6	29.1
Health Care Equipment	9,679	0.4	2.8	6.2	42.6
Pharma, Biotech & Life Science	2,902	-0.6	-0.2	1.0	NA
Banks	10,944	-0.2	2.1	-5.2	13.3
Diversified Financials	5,509	-0.8	0.0	-13.4	26.1
Insurance	5,909	-1.0	-0.6	11.1	NA
Telecommunication	6,826	2.5	3.8	6.8	14.2
Utilities	6,761	0.2	0.7	-5.8	20.0
REITs	3,784	-0.1	-0.1	-4.8	16.6
Real Estate	2,776	-0.1	1.1	11.0	NA

Sources: Bloomberg, Reuters, Tadawul

Saudi Market Update

- TASI closed 0.2% higher at 10,473, while NOMUC decreased 0.2% to 18,868 on Tuesday. TASI traded value totaled SAR 4.6bn and averaged SAR 4.0bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 23.1% of the daily traded value.
- MSCI Emerging Markets closed 0.5% lower on Tuesday, trading at P/E (TTM) of 12.3x vs. 16.7x for TASI.
- Banks decreased 0.2%, while Materials increased 0.1%. Telecom ended 2.5% higher and was the best performing sector. Among stocks, National Agriculture Marketing Co. (4160/THIMAR AB), National Company for Learning and Education (4291/NCLE AB), and Middle East Paper Co. (1202/MEPC AB), led the gainers.
- Leejam Sports Co. (1830/LEEJAM AB)'s CEO stated that FY22 results were buoyed by a 36,000 increase in members in Q4 2022 to 327,000, the highest year-end level on record. The number of operating fitness centers increased by 11. He added that the company's revenue and net profit rose to an all-time high, noting that profit margins were also maintained, excluding one-off lease discounts in 2021. The gym operator also grew its net profit margin. *(Source: Argaam)*
- Almasane Alkobra Mining Co. (1322/AMAK AB)'s CEO expects an increase in mineral prices and demand from renewable energy companies and green industries for minerals, especially copper, starting from the first quarter of 2023 and throughout the year. He added that lower profits in FY22 were due to the decline in selling prices of copper and zinc sales volume. Furthermore, he indicated that the company's production will increase with the near completion of the mine expansion project as its trial operation will start next August, increasing Zinc and Copper production by 80% and 40%, respectively. *(Source: Argaam)*
- Tourism Enterprise Co. (4170/TECO AB) signed a non-binding MoU with Marasi Marine Services Co., a Saudi company specialized in marine services, to establish a strategic partnership and jointly set up a subsidiary specialized in the field of marine tourism and maritime transport. Additionally, Marasi Marine will provide all maritime operating essentials such as yachts as well as transport and pleasure boats that are available to it. TECO added that the aim of this partnership is to double its share from the promising maritime tourism and entertainment markets in the country. *(Source: Argaam)*
- According to reports, the Export-Import Bank of Korea (Korea Eximbank) signed a USD 6bn (SAR 22.52bn) framework deal with The Saudi Arabian Oil Company (2222/ARAMCO AB). The three-year agreement is considered a step that will help South Korean companies win contracts in the country. Under the agreement, Korea Eximbank allocated USD 1bn (SAR 3.75bn) out of the total deal value for the hydrogen and renewable energy deals. *(Source: Argaam)*

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
National Agriculture Marketing Co.	25.15	9.9%	32
National Company for Learning and Education	108.80	6.3%	20
Middle East Paper Co.	32.65	4.5%	59
Saudi Industrial Services Co.	26.45	4.1%	46
Mobile Telecommunications Co. Saudi Arabia	10.94	3.6%	83

Source: Tadawul

Top 5 Losers

Company	Last Close	%Change	Value (SAR mn)
Etihad Atheeb Telecommunication Co.	58.80	-6.2%	170
Al-Jouf Agriculture Development Co.	50.40	-4.0%	21
Al Kathiri Holding Co.	52.60	-3.0%	10
Seera Group Holding	19.80	-2.9%	29
Alkhabeer REIT Fund	6.82	-2.9%	25

Latest Earnings

Company	Date	Period	Q NI (SAR mn)	Y/Y %	Q EPS (SAR)	vs. Consensus
Theeb	7-Mar	4Q22	53.7	13%	1.25	NA
Maharah	7-Mar	4Q22	40.2	2%	1.07	NA
SHAKER	7-Mar	4Q22	-2.1	-764%	-0.04	NA
AMAK	6-Mar	4Q22	21.5	-66%	0.33	NA
ELM	5-Mar	4Q22	212.1	92%	2.65	NA

Source: Tadawul

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Saudi Telecom Co.	37.60	3.0%	229
Al Rajhi Bank	74.90	-0.9%	220
The Saudi National Bank	47.20	-0.8%	217
Americana Restaurants International PLC	3.96	1.0%	199
Alinma Bank	31.15	1.8%	195

Source: Tadawul

NOTES: *(1) Prices as of last trade. Updated as of March 7, 2023*
(2) WTD: Week to Date and YTD: Year to Date

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8 March 2023

GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	3,429	-0.8	0.3	2.8	9.2
Abu Dhabi (ADX)	9,948	-0.5	0.4	-2.6	19.8
Kuwait (KSE)	6,840	-0.1	-0.6	-1.2	21.7
Qatar (QE)	10,723	0.3	0.9	0.4	12.1
Oman (MSM)	4,843	0.2	0.5	-0.3	12.7
Bahrain (BSE)	1,911	-0.1	-1.0	0.8	6.1
DJMENA Index	691	-0.1	1.2	-0.3	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	3,986	-1.5	-1.5	3.8	19.1
US (NASDAQ 100)	11,530	-1.2	-1.4	10.2	24.7
UK (FTSE 100)	7,919	-0.1	-0.3	6.3	10.6
Germany (DAX)	15,560	-0.6	-0.1	11.7	11.8
France (CAC 40)	7,339	-0.5	-0.1	13.4	12.8
Russia (MICEX)	2,296	0.1	1.0	6.6	2.3
Japan (Nikkei)	28,309	0.3	1.4	8.5	23.2
Hong Kong (HSI)	20,534	-0.3	-0.2	3.8	12.2
South Korea (KOSPI)	2,463	0.0	1.3	10.1	11.9
China (SHCOMP)	3,285	-1.1	-1.3	6.3	14.3
India (NIFTY)	17,711	0.0	0.7	-2.2	21.5
Brazil (IBOV)	104,228	-0.5	0.3	-5.0	5.7
Turkey (BIST 100)	5,382	-0.2	3.3	-2.3	5.0
Egypt (EGX30)	16,433	-2.2	-2.5	12.6	9.8
MSCI Emerging Markets	988	-0.5	0.0	3.3	12.3
MSCI World	2,765	0.0	0.2	6.2	17.4

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude ($/bbl)	83.3	-3.4	-3.0	-3.0	-32.4
Natural Gas ($/mmbtu)	2.7	4.5	-10.7	-40.0	-25.6
Gold ($/oz)	1,813	-1.8	-2.3	-0.6	-9.2
Silver ($/oz)	20.1	-4.6	-5.6	-16.2	-21.8
Platinum ($/oz)	935	-4.5	-4.8	-13.0	-17.0
Copper ($/t)	8,738	-1.8	-2.4	4.5	-14.8
Zinc ($/t)	2,981	-2.4	-3.9	-0.7	-27.9
Lead ($/mt)	2,088	-1.4	-2.3	-10.6	-16.9
Wheat ($/bu)	698	0.4	-1.5	-11.9	-27.0
Corn ($/bu)	634	-0.4	-0.9	-6.5	-0.2
Sugar ($/lb)	21.0	0.7	0.5	4.9	14.2

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	5.01	0.00	0.24	0.00
Saudi Arabia	5.52	0.03	0.18	0.51
UAE	4.81	-0.15	0.50	-0.20
Kuwait	4.25	0.00	0.25	-0.76
Qatar	5.35	0.15	0.07	0.34
Bahrain	6.31	0.00	0.17	1.30

Source: Reuters

NOTES:

(1) Prices updated as of March 7, 2023 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets ended in the red on Tuesday. S&P and NASDAQ decreased 1.5% and 1.2%, respectively. Dow Jones Industrial ended 1.7% lower. In Europe, UK, Germany and France declined 0.1%, 0.6% and 0.5%, respectively.
- Asian markets are trading mostly lower on Wednesday. China is down 0.5%, while Japan is up 0.4%. South Korea, Hong Kong and India are trading 1.3%, 2.5% and 0.1% lower, respectively, in the morning session.
- GCC markets ended mixed on Tuesday. Dubai and Abu Dhabi decreased 0.8% and 0.5%, respectively. Kuwait declined 0.1%, while Qatar gained 0.3%. Oman increased 0.2%, while Bahrain closed 0.1% lower.
- According to reports, despite global disruptions, the GCC has remained stable, with continuous investment and diversification leading to a buoyant labour market in 2023, creating new jobs across multiple sectors and geographies in the region. It added that 85% of employers are planning to recruit permanent employees this year, however, with 45% professionals looking to change organizations, greater competition for talent is to be expected. It further noted that the top three most valued benefits include flexible working, child education allowance, and air ticket allowance. *(Source: Zawya)*
- The Environment Agency – Abu Dhabi (EAD) and the Abu Dhabi School of Government (ADSG) and part of the Department of Government Support (DGS) have launched a joint initiative to support the development of Abu Dhabi government employees' competencies in green policies. The initiative will witness the participation of various vital sectors in Abu Dhabi and involve five interactive training and awareness courses launching successively during 2023. Moreover, it aims to provide skills and knowledge to help achieve sustainable development and support the UAE's climate neutrality goals while helping to prepare a workforce familiar with green concepts capable of contributing to sustainable change. *(Source: Zawya)*
- Oman's Ministry of Public Business Sector announced that Egyptian construction firm Societe Egyptienne D'entreprises (S.E.D.E), a subsidiary of the Holding Company for Construction and Development (HCCD), executed a water supply project worth EGP 8.4bn (SAR 1.02bn) in the country. It added that the project covered establishing a 230-kilometer water transmission pipeline, 15 storage tanks with a 451,000 cubic-meter capacity, and 4 pumping stations with a maximum capacity of 144,000 cubic meters per day. *(Source: Zawya)*
- According to reports, the IPO markets in the MENA region have witnessed strong momentum in 2022 led by GCC countries, especially UAE and KSA. The GCC has demonstrated resilience against global turbulence, driven by a solid crude oil market and government initiatives that have collectively deepened the region's capital markets. It added that the UAE and KSA are expected to lead the IPO markets in the region this year. However, 1Q23 saw a slight reversal, with a slowdown in commodity price jumps as alternative supplies came on stream and China's reversal of zero-Covid policies spurring investors into emerging market securities at a near-record rate. *(Source: Trade Arabia)*

Coming Up

- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended March 3 (prior: 1.2mn barrels; consensus: 0.4mn barrels) will be announced today. *(Source: Trading Economics)*
- Japan GDP growth rate (prior: -0.3% Q/Q, -1.0% Y/Y; consensus: 0.2% Q/Q, 0.8% Y/Y) will be announced tomorrow. *(Source: Trading Economics)*
- China inflation rate for February (prior: 0.8% M/M, 2.1% Y/Y; consensus: 0.2% M/M, 1.9% Y/Y) will be announced tomorrow. *(Source: Trading Economics)*

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